

MALACAÑAN PALACE MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 12

TEMPORARILY MODIFYING THE RATES OF IMPORT DUTY ON ELECTRIC VEHICLES, PARTS, AND COMPONENTS UNDER SECTION 1611 OF REPUBLIC ACT NO. 10863, OTHERWISE KNOWN AS THE "CUSTOMS MODERNIZATION AND TARIFF ACT"

WHEREAS, Republic Act (RA) No. 11697 or the "Electric Vehicle Industry Development Act," declared it a policy of the State to ensure the country's energy security and independence by reducing reliance on imported fuel for the transportation sector;

WHEREAS, under RA No. 11697, the State shall provide an enabling environment that permits the development of electric vehicles, including options for micro-mobility as an attractive and feasible mode of transportation;

WHEREAS, the transportation sector is one of the largest sources of air pollution and energy-related greenhouse gas emissions in the country at 34%, with road transportation accounting for 80% of those emissions;

WHEREAS, the State has the paramount obligation to protect the health and well-being of the people from the hazards of pollution and greenhouse gases;

WHEREAS, temporarily modifying the rates of import duty on electric vehicles, and their parts and components, will help boost the electric vehicle market in the country, support the transition to emerging technologies, and encourage consumers to consider electric vehicles as a cleaner and greener transportation option;

WHEREAS, Section 1608 of RA No. 10863 or the "Customs Modernization and Tariff Act," empowers the President, in the interest of general welfare and national security, and upon recommendation of the National Economic and Development Authority (NEDA), to increase, reduce or remove existing rates of import duty; and

WHEREAS, on 24 November 2022, the NEDA Board endorsed the temporary reduction of the Most-Favored Nation (MFN) tariff rates on certain electric vehicles, and their parts and components for a period of five (5) years;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Rates of Import Duty. The articles specifically listed in Annex A hereof, as classified in compliance with Section 1611 of RA No. 10863, shall be subject to the MFN rates of duty in accordance with the schedule indicated opposite the article.

Upon the effectivity of this Order, all articles specifically listed in Annex A hereof, which are entered into or withdrawn from warehouses in the Philippines for consumption, shall be levied the MFN rates of duty as prescribed therein.

The rates of import duty on tariff headings and subheadings which are not listed in Annex A hereof, and those listed but represented by the symbol "X X X" shall remain in full force and effect.

Section 2. Review. The MFN tariff rates shall be subject to review after one (1) year from the implementation of this Order. For this purpose, the NEDA shall submit to the President, through the Office of the Executive Secretary, its findings and recommendations on the matter.

Section 3. Separability. If any section or part of this Order is declared unconstitutional or invalid, the other sections or provisions not otherwise affected shall remain in full force and effect.

Section 4. Repeal. All orders, rules, regulations, and issuances or parts thereof, which are inconsistent with this Order, are hereby repealed or modified accordingly.

Section 5. Effectivity. This Order shall take effect thirty (30) days after its complete publication in the Official Gazette or in a newspaper of general circulation, and shall be in full force and effect for a period of five (5) years from the date of effectivity.

DONE, in the City of Manila, this 13th day of January, in the year of Our Lord, Two Thousand and Twenty Three.

By the President:

LUCAS P. BERSAMIN Executive Secretary

REPUBLIC OF THE PHILIPPINES

Office of the President
MALACAÑANG RECORDS OFFICE

DIRECTOR IV

ANNEX A

HEADING NO.	AHTN 2022 CODE	DESCRIPTION	MFN RATE OF DUTY (%)	
			For 5 years from the date of effectivity	After the 5th Year
(1)	(2)	(3)	(4)	(5)
85.37		Boards, panels, consoles, desks, cabinets and other bases, equipped with two or more apparatus of heading 85.35 or 85.36, for electric control or the distribution of electricity, including those incorporating instruments or apparatus of Chapter 90, and numerical control apparatus, other than switching apparatus of heading 85.17.		
	8537.10	- For a voltage not exceeding 1,000 V :		
		Other :		
	8537.10.91	X X X		
	8537.10.92	X X X		
	8537.10.99	Other	1	5
	8537.20	-XXX		
	to			
07.00	8537.20.90	Made a state of the state of		
87.02		Motor vehicles for the transport of ten or more persons, including the driver.		
	8702.10	-XXX		
	to			
	8702.30.99			
	8702.40	- With only electric motor for propulsion :		
	8702.40.10	XXX		
	to	AAA		
	8702.40.49			
		Other :		
	8702.40.50	Motor cars (including stretch limousines but not including coaches, buses, minibuses or vans)	0	20
		Other, for the transport of 30 persons or more and specially designed for use in airports:		
	8702.40.61	Of a g.v.w. exceeding 24 t	0	20

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			For 5 years from the date of effectivity	After the 5th Year
(1)	(2)	(3)	(4)	(5)
	8702.40.69	Other	0	20
		Other motor coaches, buses or minibuses :		
	8702.40.71	Of a g.v.w. exceeding 24 t	0	20
	8702.40.79	X X X		
	0700 40 04	Other :		
	8702.40.91	Of a g.v.w. exceeding 24 t	0	20
	8702.40.99	Other	0	20
	8702.90	- X X X		
	to			
	8702.90.90.900			
87.03		Motor cars and other motor		
67.03		vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars.		
	8703.10	- Vehicles specially designed for travelling on snow; golf cars and similar vehicles:		
	8703.10.10	Golf cars (including golf buggies) and similar vehicles :		
	8703.10.10.100	Electric vehicles	0	30
	8703.10.10.900	Other	30	30
	8703.10.90	Other :		
	8703.10.90.100	Electric vehicles	0	30
	8703.10.90.900	Other	30	30
		- X X X		
	8703.21	XXX		
	to			
	8703.70.97			
	8703.80	- Other vehicles, with only electric motor for propulsion :		
	8703.80.11			
	to	X X X		
	8703.80.19			
	1.00.00.10	Other :		
	8703.80.91	Go-karts	0	30
	8703.80.92			
	0700.00.82	All-Terrain Vehicles (ATV)	0	30

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			For 5 years from the date of effectivity	After the 5th Year
(1)	(2)	(3)	(4)	(5)
	8703.80.93	Ambulances	0	30
	8703.80.94	Hearses	0	30
	8703.80.95	Prison vans	0	30
	8703.80.96	Motor-homes	0	30
	8703.80.97	Sedan	0	30
	8703.80.98	Other motor cars (including station wagons and sports cars, but not including vans)	0	30
	8703.80.99	Other :		
	8703.80.99.100			
	8703.80.99.900	X X X		
	8703.90	-XXX		
	to 8703.90.99.900			
87.04	0703.90.99.900	Motor vehicles for the transport		
01.04		of goods.		
	8704.10	- Dumpers designed for off- highway use :		
		XXX		
	8704.10.13	XXX		
	to			
	8704.10.18			
		Other :		
	8704.10.31	g.v.w. not exceeding 5 t:		
	8704.10.31.100	Electric vehicles	0	3
	8704.10.31.900	Other	3	3
	8704.10.32	g.v.w. exceeding 5 t but not exceeding 10 t:		
	8704.10.32.100		0	3
	8704.10.32.900	Other	3	3
	8704.10.33	g.v.w. exceeding 10 t but not exceeding 20 t:		
	8704.10.33.100		0	3
	8704.10.33.900	Other	3	3
	8704.10.34	g.v.w. exceeding 20 t but not exceeding 24 t:		
	8704.10.34.100		0	3
	8704.10.34.900	Other	3	3

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			For 5 years from the date of effectivity	After the 5th Year
(1)	(2)	(3)	(4)	(5)
	8704.10.35	g.v.w. exceeding 24 t but not exceeding 38 t:		
	8704.10.35.100	Electric vehicles	0	3
	8704.10.35.900	Other	3	3
	8704.10.36	g.v.w. exceeding 38 t but not exceeding 45 t:		
	8704.10.36.100	Electric vehicles	0	3
	8704.10.36.900	Other	3	3
	8704.10.37	g.v.w. exceeding 45 t:		
	8704.10.37.100	Electric vehicles	0	3
	8704.10.37.900	Other	3	3
		- X X X		
	8704.21	XXX		
	to			
	8704.52.99			
	8704.60	- Other, with only electric motor for propulsion :		
	8704.60.11	XXX		
	to			
	8704.60.19			
	6704.60.19	Other a v.w. net eveneding 5 t :		
	970460 24	Other, g.v.w. not exceeding 5 t :	0	20
	8704.60.21	Pick-up trucks Three-wheeled vehicles	0	30
	8704.60.22	Other:	0	30
	8704.60.29 8704.60.29.100	XXX		
	8704.60.29.100	Other	0	30
	6704.60.29.900	Other :	U	30
	8704.60.91	g.v.w. exceeding 5 t but not exceeding 10 t :		
	8704.60.91.100	X X X		
	8704.60.91.900	Other	0	30
	8704.60.92	g.v.w. exceeding 10 t but not exceeding 20 t:		
	8704.60.92.100	X X X		
	8704.60.92.900	Other	0	30
	8704.60.93	g.v.w. exceeding 20 t but not exceeding 45 t:		
	8704.60.93.100	X X X		

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			For 5 years from the date of effectivity	After the 5th Year
(1)	(2)	(3)	(4)	(5)
	8704.60.93.900	Other	0	30
	8704.60.94	g.v.w. exceeding 45 t :		
	8704.60.94.100	XXX		
	8704.60.94.900	Other	0	30
	8704.90	-XXX		
	to			
	8704.90.95.900			
87.11		Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars.		-
	8711.10	-XXX		
	to			
	8711.50.90			
	8711.60	- With electric motor for propulsion :		
		XXX		
	8711.60.11	XXX		
	to			
	8711.60.19	Other		
	8711.60.92	Other : Kick scooters; self-balancing cycle; pocket motorcycles	0	30
	8711.60.93	XXX		
	8711.60.94	Bicycles, with an auxiliary electric motor not exceeding 250 W and with the maximum speed not exceeding 25 km/h	0	30
	8711.60.95	XXX		
	8711.60.99	Other :		
	8711.60.99.100	X X X		
	8711.60.99.900	Other	0	30
	8711.90	- X X X		
	to			
	8711.90.90.900			